The application of the schedules established this year and in the past resulted in the release of 14,042 cubic feet of filing and storage in the offices of State, county and municipal agencies. As in the past, we continued to dispose of records authorized for destruction by sale to waste paper companies on a contractual basis. The contract is awarded for a six-month period to the highest bidder, with an option to extend it for six months more if both the State and the company agree. IBM cards are classified according to color, and paper by the percentage of bond content. The contract also contains a proviso requiring the shredding of records when requested. Unfortunately the company under contract this year suffered a disastrous fire in May, 1966. However, it was able to continue in business in another location and, with records we supplied, made good on its contract with the State. In fiscal year 1966, the State derived \$5,052.21 from this source. Of this \$3,080.36 was returned to the general funds of the State, while the remainder went to the Department of Employment Security, which operates entirely on federal funds.

We again continued our efforts to reduce the quantity of noncurrent records retained in the offices of State agencies, in order to reduce the cost of maintaining these records and to establish more effective control over them. Under the authority contained in the records retention and disposition schedules, 3,542 cubic feet of records were transferred to the Record Center in Annapolis or the one in Baltimore. Although records are not accepted for deposit in the Centers unless they have been scheduled, the ever increasing volume of records being transferred is rapidly filling the Centers to capacity. Plans for another State Office Building in Baltimore, in which we have requested 12,000 square feet for a third record center, are under way, but completion of the building is not expected before 1970. In the meantime, we are trying to cope with the problem by rearranging and adding shelving to increase the capacity of the existing centers and by reviewing the schedules in the hope of reducing the retention period of many record series.

With the Records Centers nearly filled to capacity, additional time is required to service them properly. Center personnel assist agencies with the transfer of records, shelve the records in the Centers, maintain the necessary control forms, provide reference to the records, microfilm those to be preserved on film, and supervise the destruction of records from the Centers. Some indication of the quality of the service furnished